TrustPay

Separate Financial Statements
for the year ended 30 September 2024
prepared in accordance with the International
Financial Reporting Standards,
as adopted by the European Union

Separate Statement of Financial Position in accordance with the IFRS as at 30 September 2024

(in EUR)	Note	30 September 2024	30 September 2023 *after reclass*	1 October 2022 *after reclass*
ASSETS				
NON-CURRENT ASSETS				
Intangible non-current assets	3.1	494,352	612,543	699,220
Property, plant and equipment	3.2	167,387	185,228	148,551
Investments in subsidiaries	3.3	10,000	10,000	10,000
Financial assets measured at fair value through other comprehensive income	3.4	450,336	808,981	682,043
Non-current receivables	3.5	0	5,813	5,813
Non-current deferred expenses and deferred income	3.6	20,509	35,024	1,343
Total non-current assets		**1,142,584**	**1,657,589**	**1,546,970**
CURRENT ASSETS				
Trade and other receivables	4.1	197,684	259,827	259,547
Financial assets measured at fair value through profit or loss	4.2	0	0	0
Cash and cash equivalents	4.3	12,855,309	12,592,844	12,872,206
Current deferred expenses and deferred income	4.4	188,248	199,233	130,723
Total current assets		**13,241,241**	**13,051,904**	**13,262,476**
TOTAL ASSETS		**14,383,825**	**14,709,493**	**14,809,446**
EQUITY AND LIABILITIES				
EQUITY				
Share capital	6.1	350,000	350,000	350,000
Statutory and other funds	6.2	70,000	70,000	70,000
Valuation differences from revaluation	6.3	253,419	432,512	332,231
Retained earnings / outstanding losses	6.4	11,805,211	11,947,407	11,537,815
Total equity		**12,478,630**	**12,799,919**	**12,290,046**
NON-CURRENT LIABILITIES				
Other non-current liabilities	7.1	10,494	7,253	3,111
Deferred tax liability	9.2	60,633	113,275	72,114
Total non-current liabilities		**71,127**	**120,528**	**75,225**
CURRENT LIABILITIES				
Trade and other payables	7.2	1,610,801	1,284,070	959,219
Current tax liabilities		138,383	450,092	1,449,746
Current deferred income	7.3	84,884	54,884	35,210
Total current liabilities		**1,834,068**	**1,789,046**	**2,444,175**
Total liabilities		**1,905,195**	**1,909,574**	**2,519,400**
TOTAL EQUITY AND LIABILITIES		**14,383,825**	**14,709,493**	**14,809,446**

The accompanying notes are an integral part of these Financial Statements.

Separate Statement of Comprehensive Income in accordance with the IFRS for the year ended 30 September 2024

(in EUR)	Note	30 September 2024	30 September 2023
Payment transactions income	8.1	41,648,663	35,242,740
Payment transaction costs	8.1	(28,101,072)	(22,143,544)
Profit/loss on fees and commissions		**13,547,591**	**13,099,196**
Interest and similar income	8.2	1,629,736	966,005
General administrative expenses	8.3	(4,856,371)	(4,151,585)
(Loss) / gain on impairment of financial assets	8.4	(4,149)	(8,759)
Other operating income / (expenses)	8.5	(819,518)	(527,678)
PROFIT/LOSS FROM OPERATING ACTIVITIES		**9,497,289**	**9,377,179**
Foreign exchange difference – gain	8.6	7,683,896	7,881,441
Foreign exchange difference – loss	8.6	(2,650,421)	(3,797,806)
Foreign exchange gain/(loss)		**5,033,475**	**4,083,635**
Interest income	8.7	23,623	9,035
Interest expenses	8.7	0	0
Profit/(loss) from interest		**23,623**	**9,035**
Other financial income / (expenses)	8.8	(10,628)	6,548
PROFIT/(LOSS) FROM FINANCING ACTIVITIES		**5,046,470**	**4,099,218**
PROFIT BEFORE TAX		**14,543,759**	**13,476,397**
Income tax	9.1	(3,412,615)	(2,834,442)
NET PROFIT/(LOSS) AFTER INCOME TAX		**11,131,144**	**10,641,955**
Other comprehensive income for the year after tax:			
Items that may subsequently be reclassified to profit or loss			
Items that will not be reclassified to profit or loss:			
Change in fair value of equity instruments measured through other comprehensive income	6.3	194,974	100,281
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER		**11,326,118**	**10,742,236**

The accompanying notes are an integral part of these Financial Statements.

Separate Statement of Changes in Equity for the year ended 30 September 2024 (in EUR)

	Share capital	***Statutory and other funds***	***Valuation differences from the revaluation of financial assets measured at FVOCI***	***Retained earnings / outstanding losses***	***Total equity***
As at 1 October 2022	**350,000**	**70,000**	**332,231**	**11,537,815**	**12,290,046**
Allocations of retained earnings					0
Transfer of cumulated gain on derecognition of financial assets measured at FVOCI, after tax					0
Dividends to shareholders				(10,232,363)	(10,232,363)
Total comprehensive income for the year			100,281	10,641,955	10,742,236
Net profit for the reporting period				*10,641,955*	*10,641,955*
Other comprehensive income for the reporting period, after tax			*100,281*		*100,281*
As at 30 September 2023	**350,000**	**70,000**	**432,512**	**11,947,407**	**12,799,919**
Allocations of retained earnings					0
Transfer of cumulated gain on derecognition of financial assets measured at FVOCI, after tax			(374,067)	374,067	0
Dividends to shareholders				(11,647,407)	(11,647,407)
Total comprehensive income for the year			194,974	11,131,144	11,326,118
Net profit for the reporting period				*11,131,144*	*11,131,144*
Other comprehensive income for the reporting period, after tax			*194,974*		*194,974*
As at 30 September 2024	**350,000**	**70,000**	**253,419**	**11,805,211**	**12,478,630**

Separate Statement of Cash flows for the year ended 30 September 2024 (in EUR)

CASH FLOWS FROM OPERATING ACTIVITIES	Note	2024	2023
Profit before tax		14,543,759	13,476,397
Adjustments:			
Depreciation and impairment of non-current assets	8.5	339,874	294,528
Loss/(gain) on sale and other disposal of non-current assets	8.5	(6,250)	(15,275)
Loss/(gain) from impairment of financial assets	8.4	4,149	8,759
Interest and similar income	8.2, 8.7	(1,653,359)	(975,040)
Interest expenses	8.7	0	0
Accrual accounts	3.6, 4.4, 7.3	84,012	(69,148)
Dividends and other profit sharing charged to income	8.8	(8,355)	(8,412)
Unrealised foreign exchange differences, net	8.6	134,920	44,496
Loss / (gain) from the revaluation of financial assets measured at FVTPL	8.8	16,773	0
Cash flows from operating activities before changes in working capital		**13,455,523**	**12,756,305**
Changes in working capital:			
Trade and other receivables	3.5, 4.1	63,807	32,063
Trade and other payables	7.1, 7.2	336,888	331,993
Financial assets held for trading	4.2	566,122	0
Cash flows from operating activities		**14,422,340**	**13,120,361**
Dividends paid	6.4	(11,647,407)	(10,232,363)
Dividends received	8.8	8,355	9,818
Interest received	8.2, 8.7	1,624,848	908,729
Income tax paid	9.1	(3,828,795)	(3,819,592)
NET CASH FLOWS FROM OPERATING ACTIVITIES		**579,341**	**(13,047)**
Cash flows from investing activities			
Acquisition of tangible and intangible non-current assets	3.1, 3.2	(203,842)	(244,528)
Income from sale of tangible non-current assets	3.2, 8.5	6,250	15,275
Income from the sale of financial assets measured at FVOCI	3.4	22,636	10,434
Acquisition of subsidiaries	3.3	(7,000)	(3,000)
NET CASH FLOWS FROM INVESTING ACTIVITIES		**(181,956)**	**(221,819)**
Cash flows from financial activities:			
Interest paid		0	0
Loan repayment expenses	7.2	0	0
CASH FLOWS FROM FINANCIAL ACTIVITIES		**0**	**0**
Net increase/(decrease) in cash and cash equivalents		397,385	(234,866)
Cash and cash equivalents at the beginning of the period	4.3	12,592,844	12,872,206
Foreign exchange differences on cash and cash equivalents as at the date of the Financial Statements	8.6	(134,920)	(44,496)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	4.3	**12,855,309**	**12,592,844**

The accompanying notes are an integral part of these Financial Statements.

1. GENERAL INFORMATION ABOUT THE ENTITY

1.1. IFRS compliance statement

These Separate Financial Statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the EU, and in accordance with the relevant provisions of Act No 431/2002 Coll. on Accounting, as amended.

1.2. Company description

Trust Pay, a.s. is a joint-stock company based in the Slovak Republic, which was established by corporate charter on 3 November 2009 drawn up in the form of notarial act N344/2009, Nz 38799/2009, and Addendum 1 to the charter N 418/2009, Nz 44539/2009 dated 27 November 2009, in accordance with the relevant provisions of Act No 513/1991 Coll., the Commercial Code. The Company was incorporated on 3 December 2009. Its registered office is: Za kasárňou 1, 831 03 Bratislava, company ID: 36 865 800, TAX ID: 2022928215. It is registered in the Commercial Register of the City Court Bratislava III, Section: Sa, Insert: 4919/B. The Company's ultimate controlling person is Mr Igor Rintel.

1.3. Description of economic activity

On 21 December 2009, the Company obtained a permit from the National Bank of Slovakia (NBS) for the provision of payment services pursuant to Act No 492/2009 Coll. on Payment Services:

a) execution of payment transactions, including the transfer of funds from or to a payment account held with a payment service provider:
   1. by payment,
   2. by payment card or other means of payment,
   3. by direct debit,

b) issuing or accepting a payment card or other means of payment.

In 2013, the scope of the Company's activities was expanded to include business, organisational and economic consultancy.

On 12 July 2016, the Company expanded its services on the basis of a permit from the NBS pursuant to the provision of § 2(1)(d) of the Payment Services Act to include:

c) the execution of payment transactions on credit granted to a payment service user
   1. in the form of an authorised overdraft of a payment account, namely by payment, by means of a payment card or other means of payment, by direct debit;
   2. in the form of a credit line by means of a payment card or other means of payment.

Based on the permit from the National Bank of Slovakia dated 19 December 2022, the Company expanded its services pursuant to the provision of § 2(1)(g) of the Payment Services Act to include:

d) payment initiation service

1.4. Business philosophy

The business philosophy of Trust Pay, a.s. is to make it easier for its corporate clients to receive payments from their clients for goods or services (acquiring) through traditional means such as accepting payments by card or by various alternative means thanks to a wide range of local alternative payment methods.

In addition to accepting payments, Trust Pay, a.s. provides its corporate clients with modern banking solutions in all major currencies thanks to a wide range of correspondent banking partners. Thanks to continuous innovations, the clients of Trust Pay, a. s. can manage their corporate funds transfers efficiently, using modern and innovative technologies.

The general philosophy of the Company is to provide efficient and automated solutions using modern technologies with minimum manual intervention.

1.5. Members of Company's bodies

Body	***Position***	***Name***
Board of Directors	Chairman	Igor Rintel
	Vice-chairman	David Rintel
	Member	Vladimír Kajaba
	Member	Richard Tési
	Member	Matúš Drastich

Body	***Position***	***Name***
Supervisory Board	Member	Jaroslav Novák
	Member	Alfred Augustin
	Member	Petra Rintelová

When the statutory body acts on behalf of the payment institution, in order for the written legal acts made on behalf of the payment institution to be valid, the signatures of at least two members of the payment institution's statutory body are required, where one of the signing members must always be the chairman or vice-chairman of the Board of Directors.

As of 26 September 2024, the new members of the Board of Directors are Richard Tési and Matúš Drastich. This fact was registered in the Commercial Register on 10 October 2024. On the same day, 10 October 2024, a change in David Rintel's position was also registered in the Commercial Register, from member of the Board of Directors to Vice-chairman of the Board of Directors. He was elected on 12 September 2024.

Apart from the changes mentioned above, there were no other changes in the Company bodies of Trust Pay, a.s. in 2023/2024.

1.6. Company guarantee

Trust Pay, a.s. is not an unlimited guarantor in any other company.

1.7. Company's employees

	30 September 2024	***30 September 2023***
Number of employees as at the date of the Financial Statements	80	84
- of which management staff	6	9
Average annual headcount	78	83

1.8. Legal basis and method of preparation of the Financial Statements

The Separate Financial Statements of Trust Pay, a.s. have been prepared within the meaning of § 17a of Act No 431/2002 Coll. on Accounting, as amended, for the period from 1 October 2023 to 30 September 2024 in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"), and they also constitute the Slovak statutory Financial Statements of the Company.

The Separate Financial Statements are prepared for general use. The information contained therein cannot be used for any specific purpose or assessment of single transactions. Readers of the Financial Statements should not rely on these Financial Statements as the sole source of information when making their decisions.

The Separate Financial Statements for the period from 1 October 2023 to 30 September 2024 have been prepared on a going concern basis.

In the Separate Financial Statements, accrual basis accounting was used to recognise items such as assets, liabilities, equity, income and expenses, when they meet the definitions and recognition criteria for these items. The entity presents each significant class of similar items separately. An item that is not significant enough to be presented separately in the Financial Statements is presented separately in the notes.

The Company recognises assets and liabilities, as well as income and expenses, separately, except for other operating and other financial income/expenses, which are reported in the Separate Statement of Comprehensive Income, net.

The Statement of Cash Flows has been prepared using the indirect method; it shows the net cash flows from operating, investing and financing activities.

The Separate Financial Statements for the immediately preceding accounting period (as at 30 September 2023) were approved by the General Assembly Meeting on 21 December 2024.

1.9. Data for previous accounting periods

As comparative data for the previous accounting period, the data for assets, liabilities, equity, income and expenses are presented as at 30 September 2023. Prior year figures have been regrouped or reclassified where necessary to ensure comparability with the current accounting period.

1.10. Changes in accounting methods and policies

There were no significant changes in the Company's accounting methods and policies during the year ended 30 September 2024, except as described below.

The Company has changed the presentation of part of the current deferred income relating to credited Mastercard fees. The change was made to improve the presentation of Financial Statements and to provide users with clearer and more relevant information. Items were reclassified into more appropriate categories to better reflect the economic substance of the transactions. The aforementioned changes were due to adapting the presentation of selected assets to common market practices. The changes did not affect the Equity and the Statement of Comprehensive Income.

For comparability with the current accounting period, the Company has also reclassified comparable data with the following impact on the items presented as at 30 September 2023, as well as the opening balance as at 1 October 2022. The impact on the presented comparable data is illustrated in the following tables:

Line in the statement	30. September 2023 before reclassification	Reclassification	30. September 2023 after reclassification
4.1 Trade and other receivables	54,585	205,242	259,827
Of which: Trade receivables	*44,766*	*205,242*	*250,008*
4.4 Current deferred expenses and deferred income	404,475	(205,242)	199,233
Of which: Deferred income	*317,998*	*(205,242)*	*112,756*

Line in the statement	1. October 2022 before reclassification	Reclassification	1. October 2022 after reclassification
4.1 Trade and other receivables	107,246	152,301	259,547
Of which: Trade receivables	*86,201*	*152,301*	*238,502*
4.4 Current deferred expenses and deferred income	283,024	(152,301)	130,723
Of which: Deferred income	*185,884*	*(152,301)*	*33,583*

1.11. Application of new and revised International Financial Reporting Standards

The Company has adopted all new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB, which have been adopted for use in the European Union, and which relate to its operations and apply to accounting periods beginning on 1 October 2023.

The following standards and interpretations or amendments to existing standards and interpretations, issued by the International Accounting Standards Board and adopted by the EU, are effective for the current accounting period:

- IFRS 17 "Insurance Contracts", including Amendments to IFRS 17, sets forth the principles of accounting, valuation, recognition and disclosure of insurance contracts within the scope of the standard (effective for accounting periods beginning on or after 1 January 2023);
- Amendments to IFRS 17 and IFRS 9 – initial application and comparative period (effective for accounting periods beginning on or after 1 January 2023);
- Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" – Definition of Accounting Estimates. The amendments clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates (effective for accounting periods beginning on or after 1 January 2023);
- Amendments to IAS 12 "Income Taxes" – Deferred Tax related to Assets and Liabilities arising from a Single Transaction. The amendments clarify how to account for deferred tax on transactions such as leases (effective for accounting periods beginning on or after 1 January 2023);
- Amendments to IAS 1 "Presentation of Financial Statements" and to IFRS Practice Statement 2 – Disclosure of Accounting Policies – amendments require that accounting entities disclose significant information about their accounting policies and methods, and provide guidance and examples that help the preparers of financial statements in deciding which accounting methods to disclose in the financial statements (effective for accounting periods beginning on or after 1 January 2023);
- Amendments to IAS 12 "Income Taxes" regarding the international tax reform – global minimum tax (Pillar Two model rules) (effective for accounting periods beginning on or after 1 January 2023).

The adoption of these standards, amendments to existing standards and interpretations did not have a significant impact on the disclosures or the amounts reported in these Financial Statements.

At the date of these Financial Statements (30 September 2024), the following standards and interpretations or amendments to existing standards and interpretations have been issued, which have been adopted for use in the EU but have not yet become effective:

- Amendment to IFRS 16 "Leases" – Lease Liability in a Sale and Leaseback Transaction (effective for accounting periods beginning on or after 1 January 2024);
- Amendments to IAS 1 "Presentation of Financial Statements" - Classification of Liabilities as Current or Non-current - the amendments clarify that the classification of liabilities as current or non-current should be based on the existence of a company's right to defer the settlement of the liability at the end of the reporting period. The company's right to defer the settlement for at least twelve months after the reporting date does not need to be unconditional but must be substantiated. The classification is not affected by management's intentions or expectations of whether and when the company will exercise its right to defer the settlement of the liability. The amendments also clarify what is considered the settlement of a liability (effective for accounting periods beginning on or after 1 January 2024).
- Amendments to IAS 1 "Presentation of Financial Statements" – long-term liabilities with covenants – the amendments specify that only covenants which the accounting entity is required to comply with during the accounting period or before its end, affect its right to defer the settlement of a liability by at least 12 months after the balance sheet date (effective for accounting periods beginning on or after 1 January 2024).
- Amendments to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments – Disclosures" – Supplier finance arrangements (effective for accounting periods beginning on or after 1 January 2024).

The Company has decided not to implement these standards, revisions and interpretations before their effective dates. The Company expects that the adoption of these standards, amendments to existing standards and interpretations will not have a material impact on its Financial Statements in the period of initial application.

At present, IFRS as adopted by the EU do not differ significantly from the rules approved by the International Accounting Standards Board (IASB) except for the following standards, amendments to existing standards and interpretations which have not been adopted for use in the EU as at 30 September 2024 (the effective dates below refer to IFRS in their entirety):

- IFRS 14 "Regulatory Deferral Accounts" (Effective for accounting periods beginning on or after 1 January 2016). The European Commission has decided not to adopt this interim standard within the EU but to wait for the final version of the standard);
- Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (no effective date set; the endorsement process has been postponed indefinitely until the equity method research project is completed);
- Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" – Lack of convertibility – the amendments provide guidance on when a currency is exchangeable and how to determine the exchange rate when it is not exchangeable (effective for accounting periods beginning on or after 1 January 2025);
- Annual Improvements to IFRS Standards – Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7 – the amendments include clarifications, simplifications, corrections, and changes in the following areas: a) accounting for hedging instruments in the case of an entity applying IFRS standards for the first time (IFRS 1), b) gain or loss on derecognition (IFRS 7), c) disclosure of deferred difference between fair value and transaction price (IFRS 7), d) introduction and disclosure of credit risk information (IFRS 7), e) derecognition of lease liabilities by the lessee (IFRS 9), f) transaction price (IFRS 9), g) identification of a "de facto agent" (IFRS 10), h) cost method of measurement (IAS 7) (effective for accounting periods beginning on or after January 1, 2026);
- Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments – Disclosures". The amendments to classification and measurement of financial instruments clarify the classification of financial assets with environmental, social, and governance (ESG) and similar features. The amendments also specify the date of derecognition of a financial asset or financial liability and introduce additional disclosure requirements related to investments in equity instruments measured at fair value through other comprehensive income and financial instruments with contingent features (effective for accounting periods beginning on or after January 1, 2026);
- IFRS 19 "Subsidiaries without Public Accountability – Disclosures" - this standard permits a subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements. IFRS 19 is not mandatory for subsidiaries that meet the defined criteria and sets out disclosure requirements for subsidiaries that choose to apply the standard (effective for accounting periods beginning on or after January 1, 2027);
- IFRS 18 "Presentation and Disclosure in Financial Statements" - this standard will replace IAS 1 Presentation of Financial Statements. It introduces three sets of new requirements which aim to improve the reporting of financial performance and provide investors with a better basis for analyzing and comparing companies. Key changes in the new standard compared to IAS 1 include: a) the introduction of categories (operating, investing, financing, income tax, and discontinued operations) and defined subtotals in the statement of profit or loss; b) new requirements to improve aggregation and disaggregation; c) mandatory disclosures in the notes to the financial statements regarding management-defined performance measures (effective for accounting periods beginning on or after January 1, 2027).

The Company expects that the adoption of these standards, amendments to existing standards and interpretations will not have a material impact on its Financial Statements in the period of initial application.

At the same time, accounting for hedging instruments in relation to a portfolio of financial assets and liabilities, the principles of which have not yet been adopted by the EU, remains unregulated.

1.12. Data on the consolidated group

In October 2021, Trust Pay, a.s. established a subsidiary IBANIZE LTD with its registered office in Cyprus (unconsolidated, due to insignificance, pursuant to § 22(12) of the Accounting Act and IAS 8.8), which acts as the Company's payment services agent from 1 March 2022. This company has not yet conducted any activities since its establishment.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND PRACTICES

2.1. Accounting system

These Separate Financial Statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU. The Separate Financial Statements have been prepared on a historical cost basis, with the exception of financial assets measured at fair value through other comprehensive income and financial assets measured at fair value through profit or loss, which are measured at fair value. Information on the principal accounting policies used is set forth below.

The reporting and functional currency is EUR. All figures in these Financial Statements are expressed in whole EUR. These Separate Financial Statements have been prepared on a going concern basis.

2.2. Main sources of uncertainty in the estimates

The preparation of Financial Statements in conformity with IFRS requires the management to make estimates and assumptions that affect the recognised values of assets and liabilities, the recognition of contingent assets and liabilities as at the date of the Financial Statements, and the recognition of income and expenses for that period. Actual results may differ from these estimates, and future changes in economic conditions, business strategies, regulatory measures, accounting rules, or other factors may cause estimates to change which, in turn, could have a material effect on the future reported financial position and business results. An area where significant company estimates and assumptions are applied is the determination of the fair value of financial assets measured at fair value through other comprehensive income (FVOCI). See Notes 3.4, 6.3 and 12.3.

2.3. Transactions in foreign currencies

They are accounted for at the European Central Bank (ECB) exchange rate prevailing on the date of the transaction. Monetary assets, receivables and payables denominated in foreign currencies are translated at the ECB exchange rate prevailing on the date of the Financial Statements.

Off-balance sheet assets and liabilities denominated in foreign currencies are translated into euros in the Financial Statements at the ECB-published exchange rate prevailing on the date of the Financial Statements.

Foreign exchange differences arising on translation of foreign currencies are recognised in the profit or loss (PL), except for foreign exchange differences in equity instruments in respect of which a decision has been made to present subsequent changes in their fair value in other comprehensive income (OCI).

2.4. Non-current assets

Tangible and intangible non-current assets are measured at acquisition cost, except for assets acquired in a business combination, which are measured at fair value at the date of acquisition. Acquisition costs include the cost of contract work, direct wages, materials and overheads incurred to bring non-current assets into use for their intended purpose. Non-current assets are depreciated using the straight-line depreciation method over their estimated useful lives. The useful life and depreciation method is reviewed annually by the Company's management. For subsequent measurement, the Company has chosen the acquisition cost method for both tangible and intangible non-current assets, whereby the assets are recognised at acquisition cost less accumulated depreciation and accumulated impairment losses.

Internally generated intangible non-current assets are the result of the work of internal projects through the development phase. They are measured at the directly attributable costs of bringing the asset to the condition in which it can be used, from the date when all criteria for recognition of the asset as an intangible asset have been met (the technical feasibility of completing the intangible asset so that it will be available for use; the intention of the Company to complete the intangible asset; the generation of probable future economic benefits; the availability of resources to complete the development and to use the intangible asset; and the ability to reliably measure the costs attributable to the intangible asset during the development phase). Costs include, in particular, the cost of materials, services, wages and any other costs associated with bringing the asset to a condition in which it can be used. In particular, administrative and other general overhead expenses, costs due to inefficiencies as well as training costs cannot be included. Intangible assets resulting from the research phase of an internal project are not recognised. Expenditure on the research phase of an internal project is recognised as an expense in the period in which it is expended.

Non-current assets for which a development funding was provided are reported at their carrying amount. The related portion of funding is recognised using the income method, as deferred income, and systematically recognised in profit or loss under the item "Other operating income/(expenses)" over the depreciation period of these assets (see Note 7.3 and 8.5).

The useful life of an intangible asset is determined as definite or indefinite, and an intangible asset may be recognised with an indefinite useful life only if – based on all relevant factors – there is no foreseeable limit on the length of time that the asset is capable of generating cash flows for the Company.

The expected useful life of the owned equipment is set at 48 months.

The method of preparing the book depreciation schedule for non-current assets and the book depreciation methods used in determining the book depreciation:

Type of asset	Depreciation period	Depreciation rate	Depreciation method
Software	4 years	25%	straight-line method
Internally developed software	4 years	25%	straight-line method
Trademark	8-10 years	10%-12.50%	straight-line method
Other intangible assets	4 years	25%	straight-line method
Machinery and equipment	4 years	25%	straight-line method
Passenger cars	4 years	25%	straight-line method

Gains and losses on the disposal of non-current assets are fully recognised in the Statement of Comprehensive Income.

On each financial statement date an assessment is made as to whether there are any factors that would indicate that the realisable value of the Company's intangible assets, plant and equipment is less than their carrying amount. If such factors are identified, the realisable value of the asset is estimated as either the net selling value or the present value of future cash flows from the asset, whichever is higher. Any resulting impairment loss is fully recognised in the Statement of Comprehensive Income in the period in which the impairment occurs. The discount rates used to calculate the present value of future cash flows represent rates that are considered appropriate for the Company's operations in the economic environment of the Slovak Republic always as at the date of the Financial Statements.

Based on the above, the management has assessed the potential decrease in the value of assets due to impairment as at 30 September 2024 and 30 September 2023. No impairment losses were identified.

2.5. Financial instruments

A financial instrument is a contract giving rise to a financial asset of one entity and to a financial liability or an equity instrument of another entity.

Initial recognition and classification of financial assets

IFRS 9 includes three main categories of classification of financial assets:
- financial assets measured at amortised cost (AC);
- financial assets measured at fair value through other comprehensive income (FVOCI);
- financial assets measured at fair value through profit or loss (FVTPL).

A financial asset is classified as one of the above categories on initial measurement based on:
- the Company's business model for managing financial assets, which is determined at a level that reflects the way in which financial assets are managed to achieve a specific business objective; and
- the contractual cash flow characteristics of a financial asset by verifying that the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal (the Solely Payments of Principal and Interest (SPPI) criterion).

A financial asset is reclassified only if the Company changes its business model for managing financial assets. In such a case, all financial assets affected by the change in business model are subject to reclassification.

Except for trade receivables, the Company measures financial assets at initial recognition at their fair value plus or minus transaction costs attributable to the acquisition of the financial asset.

The Company measures trade receivables at initial recognition at their transaction price determined pursuant to IFRS 15 "Revenue from Contracts with Customers", unless they contain a significant financing component.

The Company's financial assets include cash and cash equivalents, trade and other receivables, financial assets measured at fair value through other comprehensive income (FVOCI), and financial assets measured at fair value through profit or loss (FVTPL), and funds in client accounts recorded off-balance sheet.

Subsequent measurement of financial assets

Subsequent measurement of financial assets depends on their classification at initial recognition as described below:

1. Financial assets measured at amortised cost (AC)

A financial asset is classified as measured at amortised cost if the Company's objective is to hold the asset for the purpose of collecting contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest rate (hereinafter "EIR") method, adjusted for any impairment. Amortised cost is calculated taking into account fees paid to or received from the counterparty, which are an integral part of the effective interest rate, transaction costs, and other premiums or discounts. Amortisation using EIR is recognised in financial costs in the Statement of Comprehensive Income. Impairment losses are recognised in the Statement of Comprehensive Income in the item (Loss)/gain on impairment of financial assets.
This category includes cash and cash equivalents, trade and other receivables, and non-current receivables, and funds in client accounts recorded off-balance sheet.

2. Financial assets measured at fair value through other comprehensive income (FVOCI)

On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably decide to recognise changes in fair value of the financial instrument in other comprehensive income. This decision is made on a case-by-case basis and takes into account strategic interests. Changes in fair value are cumulated in equity in the item "Valuation differences from revaluation". Gains and losses from revaluation are never recycled into the profit or loss. When the financial instrument is derecognised, gains and losses recognised in other comprehensive income are recognised as a direct transfer to retained earnings. Dividends on financial assets measured at fair value through other comprehensive income are recognised in the Statement of Comprehensive Income in the item "Other financial income (expenses)".

This category includes equity instruments that are not held for trading purposes – the Company's investments in other entities constituting less than 20% of the share capital and voting rights. The Company has decided to recognise VISA Inc. Series C Preferred Shares in this category, based on the fact that it is not held for trading and it consists of shares in companies in which participation is mandatory (VISA Inc., USA). As these are equity securities for which there is no market, the Company uses Level 3 fair value valuations (see Note 12.3).

3. Financial assets measured at fair value through profit or loss (FVTPL)

All other financial assets, i.e. financial assets that do not meet the criteria for classification as subsequently measured at amortised cost or FVOCI, are subsequently measured at fair value, with changes in fair value recognised through profit or loss (FVTPL).

This category includes financial assets held for trading. Included here are shares that have been acquired primarily for the purpose of sale in the near future. The Company monitors changes in the fair values of these financial instruments and recognises unrealised gains and losses in the Statement of Comprehensive Income in the item "Other financial income/(expenses)". Dividends on financial assets measured at fair value through profit or loss (FVTPL) are recognised in the Statement of Comprehensive Income in the item "Other financial income/(expenses)".

Impairment of financial assets

The Company recognises a provision for expected credit losses on financial assets (other than equity instruments) that are measured at amortised cost or at fair value through other comprehensive income, to which the impairment requirements under IFRS 9 Financial Instruments apply.

At each balance sheet date, the Company reviews whether there is objective evidence of impairment of financial assets or a group of financial assets. For trade receivables, the Company applies the simplified approach permitted under IFRS 9, which requires the recognition of a loss provision equal to the expected credit losses over the entire life of the receivable, starting from its initial recognition. Further details are provided in Note 4.1 of the notes.

For other financial assets, other than current trade receivables, the Company applies the general approach under IFRS 9, based on an assessment of a significant increase in credit risk since the initial recognition of the financial asset. The provision for other financial assets is recognised at the value of expected credit losses over the entire life of the asset, if the credit risk of the asset has increased significantly since initial recognition, taking into account all reasonable and supportable information, including that which is forward-looking. Unless there has been a significant increase in credit risk at the balance sheet date since the initial recognition of the financial asset, the Company recognises a provision at the amount of expected credit losses over the next twelve months.

Lifetime expected credit losses are those expected credit losses that result from all possible events of default over the expected life of the financial instrument. The Company considers a financial asset to be in default when the contractual cash flows are over 125 days past due. The Company may also consider a financial asset to be in default when there is additional internal or external information that indicates that it is unlikely that the remaining contractual cash flows from the financial asset will be fully collected, before taking into account any hedging against credit risk.

Company recognises in profit or loss as an impairment gain or loss the amount of expected credit losses (or reversals of such losses), which is necessary to adjust the provision as at the reporting date to the amount that is required to be recognised in accordance with IFRS 9 Financial Instruments. For financial assets that are measured at fair value through other comprehensive income, impairment losses are included in other comprehensive income.

The Company writes off a financial asset together with the related impairment provision if it does not reasonably expect that the financial asset, in part or in whole, will be collectible. Such a write-off of an uncollectible receivable constitutes a derecognition event.

Derecognition of financial assets

A financial asset (or part of a financial asset, or part of a group of similar financial assets) is derecognised when:

- the contractual rights to the cash flows from the financial asset expire; or
- the Company has transferred the financial asset, and the transfer qualifies for derecognition under IFRS 9 Financial Instruments.

Initial recognition and classification of financial liabilities

The Company determines the classification of a financial liability on initial recognition.

On initial recognition, a financial liability is measured at its fair value plus or minus transaction costs attributable to the issue of the financial liability.

The Company's financial liabilities include trade and other payables, and other interest-bearing loans and borrowings, and liabilities to clients recorded off-balance sheet. Loans and borrowings due within one year are classified as current liabilities. Loans with a maturity of more than one year are classified as non-current liabilities.

Subsequent measurement of financial liabilities

Subsequent to initial recognition, the Company measures financial liabilities in accordance with their classification at initial recognition. Reclassification of financial liabilities to another valuation category is not permitted under any circumstances.

1. <u>Financial liabilities subsequently measured at amortised cost</u>

This category includes interest-bearing loans and borrowings, trade and other payables, and liabilities to clients recorded off-balance sheet. The amortised cost of a financial liability is the value at which the liability was measured at initial recognition, minus principal payments, plus or minus the cumulative amortisation of any difference between that initial value and the value at maturity using the effective interest rate method. The calculation of the effective interest rate takes into account any fees paid to or received from the counterparty that are an integral part of the effective interest rate, transaction costs, and any other discounts or premiums. Amortisation using the effective interest rate is recognised in financial expenses in the Statement of Comprehensive Income.

Derecognition of financial liabilities
A financial liability is derecognised if it has been extinguished, i.e. if the obligation to fulfil the liability has been discharged, cancelled or expired.

A material change in the terms of an existing financial liability or part thereof is accounted for as the extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability (or part thereof) that has been extinguished or transferred to another party and the consideration paid, including any non-monetary assets transferred or liabilities assumed, is recognised in the profit or loss.

Offsetting financial instruments
Financial assets and financial liabilities are offset and the net value is recognised in the statement of financial position only if the Company has a legally enforceable right to offset them and intends to offset them against each other, or to realise the asset and settle the liability simultaneously. Within the meaning of IAS 32, Amendments to IAS 32: Offsetting Financial Assets and Financial Liabilities, the right to offset may not be conditional on a future event, and must be legally enforceable in the ordinary course of business and in the event of significant financial distress, insolvency or bankruptcy.

Fair value of financial instruments
The fair value of financial instruments is the amount for which an asset can be exchanged or a liability settled between informed willing parties in an arm's length transaction at arm's length prices.

For investments actively traded in organised financial markets, the fair value at the balance sheet date is estimated on the basis of quoted market prices or trader quotations, without deducting any transaction costs.

For investments for which a quoted market price is not available, fair value is determined using appropriate valuation techniques. Such techniques include using a recent arm's length transaction, pricing based on the current market value of another instrument that is substantially the same, or the price is calculated on the basis of the expected cash flows of the net underlying assets of the investment, or other valuation models.

An analysis of the fair values of financial instruments and further details of how they are measured are set forth in Note 12.3 of the notes.

2.6. Investments in subsidiaries

Subsidiaries represent companies for which the Company has assessed that it has the power to make decisions about activities that significantly affect their achieved earnings, and is exposed, or has the rights, to variable returns from its involvement with these companies.

The Company measures shares in subsidiaries in the Separate Financial Statements at acquisition cost less impairment losses (provisions).

2.7. Recognition of income and expenses

Income represents increases in economic benefits during the accounting period in the form of appreciation of assets or decreases in liabilities that lead to an increase in equity and are different from those that apply to shareholders' contributions.

Expenses represent reductions in economic benefits during the accounting period in the form of asset disposals or reductions in the usefulness of assets, or the incurrence of liabilities that result in a decrease in equity, and are different from those that apply to distributions of earnings to shareholders.

2.8. Income and expenses from payment transactions

Fees received and paid for financial services and commissions are recognised as accrued based on the period of service provision. Fees paid and received for a one-off service are recognised immediately. In the Statement of Comprehensive Income, they are recognised in the item "Payment transactions income", or "Payment transaction costs", and their difference (net value) in the item "Profit/loss on fees and commissions".

2.9. Interest income and interest expense

Interest income and interest expense is recognised in the Statement of Comprehensive Income as incurred on an accruals basis using the effective interest rate.

Trust Pay, a.s. may apply client interest on the balances of clients' payment accounts according to the General Terms and Conditions; these are recognised in the Statement of Comprehensive Income in the item "Interest and similar income".

Bank interest on Company bank account balances is applied against Trust Pay, a.s. Bank interest on the funds in the accounts, where mainly client funds are held, is part of Profit or Loss from operating activities, not Profit or Loss from financing activities (see Note 8.2).

The company conducts short-term term deposits. Interest income from these deposits, including accrued income, is reported in the Statement of Comprehensive Income in the item "Interest and similar income" (see Note 8.2.).

Bank interest from the operating account as well as other interest are recorded as a financial expense or income, respectively.

2.10. Cash and cash equivalents

Cash and cash equivalents represent cash, cash in bank accounts, deposits and other short-term highly liquid investments that are directly convertible into a known amount of cash and are not subject to significant changes in value. This definition is also applied in the preparation of the statement of cash flows.

2.11. Statutory insurance and social security and pensions

The Company has to make contributions to various compulsory statutory insurance schemes, and the employees also contribute to these contributions. Social security expenses are charged to the Statement of Comprehensive Income in the same period as the related payroll expenses.

2.12. Accruals

The Company estimates the expenses and liabilities that have been invoiced at the balance sheet date. These expenses and liabilities are accrued in the accounting records and are recognised in the financial statements in the period to which they relate. Accruals include accrued interest income from term deposits that the Company realises, and other interest income from accounts where client funds are recorded off-balance sheet. As at the date of the Financial Statements, these are reported in the item 'Current deferred expenses and deferred income' (see Note 4.4.). Accruals include deferred income from development funds related to non-current assets, which, as at the date of the Financial Statements, is reported in the item "Current deferred income" (see Note 7.3.).

2.13. Leasing

Under IFRS 16, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a specified period in exchange for consideration. For such contracts, the new model requires the lessee to recognise the right of use as asset and the lease liability. The right of use is depreciated and the liability is subject to interest. This results in higher costs for most leases at the outset, even if the lessee pays a constant annual rent.

The standard also permits several exceptions for the lessee, which include:
- leases with a lease term of 12 months or less and that do not contain a purchase option,
- leases where the subject of the lease has a low value ("small-ticket" leases).

IFRS 16 largely has no impact on lessor accounting. The lessor continues to distinguish between finance and operating leases.

Leases where the Company acts as the lessee
The Company leases only real estate (office space, parking spaces, etc.) with a lease term of up to 12 months, or assets with low value (office equipment, etc.) for which it has decided to recognise lease expenses using the straight-line method over the lease term, as permitted by IFRS 16. Thus, for these leases the Company does not account for right-of-use assets; the lease payments are recognised as an expense using the straight-line method in the Statement of Comprehensive Income in the item "General administrative expenses".

2.14. Taxation and deferred tax

Income tax is calculated on accounting profit after taking into account certain items for tax purposes in accordance with the regulations applicable in the Slovak Republic, using the current income tax rate of 21%.

Deferred income tax is accounted for on all temporary differences between the tax and book value of assets, and the tax and book value of liabilities using the liability method. The deferred tax is calculated using the income tax rate expected in the period in which the related asset or liability is to be settled. Deferred tax is recognised in the Statement of Comprehensive Income, except for those assets and liabilities that are accounted for directly with a corresponding entry in equity; in such a case, the deferred tax is also accounted for with a corresponding entry in equity. To determine the deferred income tax, the expected tax rate for the following period was used, i.e., 21%, or 19% for items that are subject to withholding tax.

For example, withholding tax applies to interest from term deposits realised in Slovakia, which are subject to withholding tax upon payment in Slovakia. In the case of withholding tax from interest, deducted by the payer, the tax liability is considered settled.

A deferred tax asset is accounted for when there is an expected future taxable profit against which the temporary differences can be utilized. Deferred tax assets arising from unused tax losses are recognised only to the extent that the Company has recognised sufficient taxable temporary differences, or to the extent that there is persuasive evidence that the Company will realise sufficient taxable profit against which those unused tax losses could be utilised. In such cases, the Company discloses the amount of the recognised deferred tax asset and the nature of the evidence supporting its recognition. The carrying amount of the deferred tax asset is reviewed at each balance sheet date. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow part or all of the benefit of the deferred tax asset to be utilised. Any such reduction is reversed, to the extent that there is a likelihood that sufficient taxable profit will be made.

Deferred tax assets and liabilities are mutually offset when there is a legal right to offset current tax assets against current tax liabilities, and if they relate to income taxes levied by the same tax authority, and the Company intends to settle its current tax assets and liabilities on a net basis.

The Company is a payer of various local taxes and value added tax (VAT). VAT, for which the Company is not entitled to a deduction, is recognised in the Statement of Comprehensive Income in the item "Other operating income/(expenses)". VAT on the acquisition of tangible and intangible non-current assets is included in the acquisition cost of tangible and intangible non-current assets.

Special levy on business in regulated industries

On December 19, 2023, the National Council of the Slovak Republic approved an amendment to Act No. 235/2012 Coll. on the Special Levy on Business in Regulated Industries, which came into effect on December 31, 2023. This amendment expands the scope of the law to include entities authorized to carry out activities based on a license issued or granted by the National Bank of Slovakia — this includes payment institutions such as Trust Pay, a.s.. The levy period is defined as a calendar month, and the Company is required to pay the levy starting from the levy period of January 2024. The special levy is calculated by multiplying the levy rate by the levy base. The levy base is the profit before tax reported in accordance with the International Financial Reporting Standards (IFRS), adjusted in accordance with the Income Tax Act and further adjusted according to the Special Levy Act. The monthly levy rate applicable for 2024 is 0.00363.

In accordance with the requirements of International Financial Reporting Standards (IFRS), the special levy on business in regulated industries, as defined by a specific regulation, is part of the Company's income tax. It is reported in the Statement of Comprehensive Income.

The liability for the special levy, along with the liability for current income tax, is presented in the Statement of Financial Position under "Current tax liabilities". In the case of an overpayment of the special levy, it cannot be offset against an income tax liability. See also Note 9.1.

2.15. Funds of users of payment services

Assets received for management from users of payment services are not recognised as assets or liabilities on the balance sheet but are accounted for as off-balance sheet items, as they do not form part of the Company's assets nor are they subject to enforcement pursuant to specific regulations and are excluded therefrom. See also Note 5.3.

2.16. Requirements of regulatory authorities

The Company is obliged to comply with the regulatory requirements of the National Bank of Slovakia, which include limits and various other restrictions concerning own funds, the development and maintenance of an effective internal control system, the record-keeping of contracts and records relating to the provision of payment services, and other statutory requirements. During 2023 and 2024, the Company complied with all of the above regulatory requirements.

3. NON-CURRENT ASSETS

3.1. Intangible non-current assets (INA)

	Internally developed SW	*Software*	*Other INA*	*Trademark*	*Acquisition of intangible investments*	*Total*
Opening balance as at 1 October 2023	**1,233,343**	**13,172**	**13,645**	**6,742**	**0**	**1,266,902**
Additions from internal development					132,814	132,814
Additions acquired separately					12,115	12,115
Transfers						0
Disposals	(9,596)					(9,596)
Closing balance as at 30 September 2024	**1,223,747**	**13,172**	**13,645**	**6,742**	**144,929**	**1,402,235**
Accumulated depreciation as at 1 October 2023	**(628,865)**	**(9,982)**	**(12,998)**	**(2,514)**	**0**	**(654,359)**
Depreciation charged	(259,681)	(2,097)	(604)	(738)		(263,120)
Transfers						
Disposals	9,596					9,596
Accumulated depreciation as at 30 September 2024	**(878,950)**	**(12,079)**	**(13,602)**	**(3,252)**	**0**	**(907,883)**
Provisions as at 1 October 2023						
Additions						
Disposals						
Provisions as at 30 September 2024						
Net book value as at 1 October 2023	**604,478**	**3,190**	**647**	**4,228**	**0**	**612,543**

These notes are an integral part of the Financial Statements.

Net book value as at 30 September 2024	**344,797**	**1,093**	**43**	**3,490**	**144,929**	**494,352**

The Company worked on the development of one software project with a total value of EUR 132,814, after demonstrating that all the criteria for recognition of internally generated intangible assets were met. The software project was not put into use during 2023/2024 and remains in development. It is a card payment tokenization project aimed at enhancing the security of card transactions by replacing sensitive card information with a unique equivalent, known as a "token."

Internally developed software (assets with a finite useful life) and related software modules, as well as other INA, have a finite useful life of 48 months. The trademark is depreciated over 96 or 120 months, the period of its validity.

The remaining depreciation period for internally developed software as at 30 September 2024 is in the range of 6 to 32 months. The depreciation charged on intangible assets is included in the Statement of Comprehensive Income in the item "Other operating income/(expenses)" (see Note 8.5).

Based on the assessment of the current use of the intangible non-current assets, the Company has concluded that there is no significant impairment of the intangible non-current assets as at 30 September 2024.

	Internally developed SW	***Software***	***Other INA***	***Trademark***	***Acquisition of intangible investments***	***Total***
Opening balance as at 1 October 2022	**1,079,263**	**13,172**	**13,645**	**6,742**	**0**	**1,112,822**
Additions from internal development	154,080					154,080
Additions acquired separately						
Transfers						
Disposals						
Closing balance as at 30 September 2023	**1,233,343**	**13,172**	**13,645**	**6,742**	**0**	**1,266,902**
Accumulated depreciation as at 1 October 2022	**(392,715)**	**(7,885)**	**(11,226)**	**(1,776)**	**0**	**(413,602)**
Depreciation charged	(236,150)	(2,097)	(1,772)	(738)		(240,757)
Transfers						
Disposals						
Accumulated depreciation as at 30 September 2023	**(628,865)**	**(9,982)**	**(12,998)**	**(2,514)**	**0**	**(654,359)**
Provisions as at 1 October 2022						
Additions						
Disposals						
Provisions as at 30 September 2023						
Net book value as at 1 October 2022	**686,548**	**5,287**	**2,419**	**4,966**	**0**	**699,220**
Net book value as at 30 September 2023	**604,478**	**3,190**	**647**	**4,228**	**0**	**612,543**

The Company worked on the development of two software projects with a total value of EUR 154,080, after demonstrating that all the criteria for recognition of internally generated intangible assets were met. Both software projects were put into use during 2022/2023. The first project is for direct integration and connection of the company's payment gateway into the processor's environment. The second project was the direct connection to an alternative payment method without the need to process transactions through additional payment service intermediaries.

Internally developed software (assets with a finite useful life) and related software modules, as well as other INA, have a finite useful life of 48 months. The trademark is depreciated over 96 or 120 months, the period of its validity.

The remaining depreciation period for internally developed software as at 30 September 2023 is in the range of 18 to 44 months. The depreciation charged on intangible assets is included in the Statement of Comprehensive Income in the item "Other operating income/(expenses)" (see Note 8.5).

Based on the assessment of the current use of the intangible non-current assets, the Company has concluded that there is no significant impairment of the intangible non-current assets as at 30 September 2023.

Research and development expenditure

In 2023/2024, the Company expended a total of EUR 5,083 (2022/2023: EUR 21,500) for research and development, recognised as an expense in the period. These expenses related to the research phases of the project that was not put into use during 2023/2024. The project is expected to be put into use in the next accounting period. In addition, various minor functionalities of existing products have been implemented.

Research and development expenses from the previous period related to the research phases of two projects that were put into use during the 2022/2023 year.

3.2. Property, plant and equipment

Property, plant and equipment consist of the following items:

	Plant, machinery, and equipment	***Total***
Opening balance as at 1 October 2023	422,516	422,516
Additions acquired separately	58,913	58,913
Additions through business combinations	0	0
Transfers	0	0
Disposals	(12,742)	(12,742)
Closing balance as at 30 September 2024	**468,687**	**468,687**
Accumulated depreciation as at 1 October 2023	(237,288)	(237,288)
Depreciation charged	(76,754)	(76,754)
Transfers		
Disposals	12,742	12,742
Accumulated depreciation as at 30 September 2024	**(301,300)**	**(301,300)**
Provisions as at 1 October 2023		
Additions		
Disposals		
Provisions as at 30 September 2024		
Net book value as at 1 October 2023	**185,228**	**185,228**
Net book value as at 30 September 2024	**167,387**	**167,387**

In 2023/2024, the Company acquired two passenger cars and IT equipment. One fully depreciated vehicle was disposed of through sale.
Tangible non-current assets (TNA) have a useful life of 4 years during which they are depreciated.

Based on the assessment of the current use of the tangible non-current assets, the Company has concluded that there is no significant impairment of the tangible non-current assets as at 30 September 2024.

	Plant, machinery, and equipment	***Total***
Opening balance as at 1 October 2022	378,404	378,404
Additions acquired separately	91,281	91,281
Additions through business combinations		
Transfers		
Disposals	(47,169)	(47,169)
Closing balance as at 30 September 2023	**422,516**	**422,516**
Accumulated depreciation as at 1 October 2022	(229,853)	(229,853)
Depreciation charged	(53,771)	(53,771)
Transfers		
Disposals	46,336	46,336
Accumulated depreciation as at 30 September 2023	**(237,288)**	**(237,288)**
Provisions as at 1 October 2022		
Additions		
Disposals		
Provisions as at 30 September 2023		
Net book value as at 1 October 2022	**148,551**	**148,551**
Net book value as at 30 September 2023	**185,228**	**185,228**

In 2022/2023, the Company acquired passenger car.
Tangible non-current assets (TNA) have a useful life of 4 years during which they are depreciated.

Based on the assessment of the current use of the tangible non-current assets, the Company has concluded that there is no significant impairment of the tangible non-current assets as at 30 September 2023.

3.3. Investments in subsidiaries

On 15 October 2021, Trust Pay, a.s. established IBANIZE LTD based in Cyprus, which acts as the Company's payment services agent from 1 March 2022.

Company name	***Ownership share***	***Initial valuation***	***Revaluation***	***30 September 2024***	***30 September 2023***
IBANIZE LTD	100%	10,000	-	10,000	10,000
Total		***10,000***	**-**	***10,000***	***10,000***

3.4. Financial assets measured at fair value through other comprehensive income

Financial assets measured at fair value through other comprehensive income by companies:

	Initial valuation	***Revaluation***	***30 September 2024***	***30 September 2023***
VISA Inc. Series C Preferred Shares	129,552	320,784	450,336	808,981

Total	***129,552***	***320,784***	***450,336***	***808,981***

As at 30 September 2024, the Company recognises an equity interest in VISA Inc. in the form of Series C Preferred Shares with a fair value of EUR 450 thousand (2023: EUR 809 thousand). In July 2024, the conversion of a part (50.50%) of the value of the VISA Series C Preferred Shares into VISA Series A Preferred Shares was completed. The fair value of this part amounted to EUR 605 thousand as at the date of conversion. By the conversion, the Company acquired VISA Series A Preferred Shares with a fair value of EUR 583 thousand (non-cash transaction) and consideration for the fractional share (recognised as a receivable). The realised gain on the transaction amounting to EUR 374 thousand after taxes was transferred by the Company from valuation differences on revaluation of financial assets measured by FVOCI to retained earnings (see also Note 6.3). The VISA Series A Preferred Shares were recognised as financial assets measured at fair value through profit or loss during the year and was sold in August 2024 (see Note 4.2).

The fair value of VISA Inc. Series C Preferred Shares was determined based on the market value of common shares adjusted for the effect of restrictions associated with holding the preferred shares. See also Notes 6.3, 8.8 and 12.3 of these notes.

3.5. Non-current receivables

	30 September 2024	*30 September 2023*
Other non-current receivables	0	5,813
Total	**0**	**5,813**

The non-current receivable in 2022/2023 amounting to EUR 5,813 represented a deposit with Visa Inc., withheld for the purpose of meeting future fee obligations. The Company expects that the full amount has already been utilized and does not anticipate a positive surplus to be collected in the future.

3.6. Non-current deferred expenses and deferred income

	30 September 2024	*30 September 2023*
Non-current deferred expenses	20,509	35,024
Total	**20,509**	**35,024**

Non-current deferred expenses consist mainly of accrued fees for IT services, software licences and set up fees for being direct acquirer of some alternative payment methods.

4. CURRENT ASSETS

4.1. Trade and other receivables

Trade and other receivables consist of the following:

	30 September 2024	*30 September 2023 after reclass*
Trade receivables	206,362	264,666
Provisions for receivables	(18,807)	(14,658)
Total trade receivables, net	187,555	250,008
Other receivables	10,214	9,904
Provisions for other receivables	(85)	(85)
Total other receivables, net	10,129	9,819
Trade and other receivables, net	**197,684**	**259,827**

The Company makes provisions for unpaid receivables pursuant to the expected credit loss (ECL) model in the amount of the expected credit losses, which is based on the obligation to recognise expected losses on an asset before the asset reaches the credit impairment (default) stage. The Company applies the simplified approach under IFRS 9, which sets expected credit losses at the expected lifetime credit losses and uses a simplified calculation of the provision using a provision matrix. Trade receivables have been grouped according to the number of days past due. The expected percentage of credit losses was determined based on the payment discipline of customers over a period of 10 years until 30 September 2024 and on the impairment losses recognised during that period, and on an assessment of the current and expected evolution of conditions as at the end of the accounting period. Given that past experience with credit losses does not indicate significantly different loss behaviour for different customer segments, the calculation of the provision based on the maturity and days overdue does not further differentiate between the Company's different customers.

Disaggregation of trade receivables:

	30 September 2024	***30 September 2023 after reclass***
Trade receivables:		
due	188,295	250,988
overdue	18,067	13,678
Total	**206,362**	**264,666**

Due dates of trade receivables, which are an indicator for the Company's internal provisioning policy, and the expected credit loss percentage calculated pursuant to the simplified model under IFRS 9:

	expected credit loss percentage (30 September 2024)	***30 September 2024***	***expected credit loss percentage (30 September 2023)***	***30 September 2023 after reclass***
Trade receivables:				
due and up to 10 days overdue	2%	41,157	2%	35,231
up to 90 days overdue	7%	0	8%	0
up to 125 days overdue	26%	0	26%	0
over 125 days overdue	45%	0	45%	0
receivables assessed for impairment on an individual basis	20%-50%	0	20%-50%	0
receivables assessed for impairment on an individual basis	100%	18,067	100%	13,918
Advances, credit notes and other similar	0 %	147,138	0 %	215,517
Total		**206,362**		**264,666**

Provisions amounting to 100% are made for a separate group of receivables, for which the risk of non-payment is materially different from customers of recurring services. These receivables were not included in the provision calculation using the provision matrix but were assessed on an individual basis. The maximum credit risk is assigned to receivables where it is highly uncertain whether they will be collected through the courts, and therefore there has been a significant increase in credit risk.

Advances and credits mainly consist of credited Mastercard fees related to the current period.

	30 September 2024	***30 September 2023***
Trade receivables:		
with maximum credit risk	18,067	13,918
overdue for more than 360 days	0	0
Total	**18,067**	**13,918**

Changes in provisions for receivables:

	30 September 2024	_30 September 2023_
Balance as at 1 October	**14,743**	**5,984**
Impairment losses on receivables (creation)	4,149	13,649
Derecognition of impairment loss	0	(4,890)
Derecognition of impairment loss on write-off of receivable	0	0
Balance as at 30 September	**18,892**	**14,743**

Disaggregation of other receivables:

	30 September 2024	_30 September 2023_
Other receivables:		
Conversion of VISA shares	0	0
VISA dividends	0	0
Other receivables	10,214	9,904
Total	**10,214**	**9,904**

4.2. Financial assets measured at fair value through profit or loss

	Initial valuation	_Revaluation_	_30 September 2024_	_30 September 2023_
Shares held for trading:				
VISA Inc. Series A Preferred Shares				
Total				

The financial assets measured at fair value through profit or loss consisted of VISA Series A Preferred Shares, which the Company acquired by converting a portion of the value of Series C Preferred Shares. Each Series A Preferred Shares is equivalent to 100 shares of Class A Common Shares; upon its sale in 2023/2024, the Preferred Shares were automatically converted into Common Shares.

The VISA Series A Preferred Shares were held for trading (expected to be sold in the short term, without restrictions on sales), therefore it was classified as FVTPL. The fair value determination was derived from the quoted prices of Class A Common Shares at a fixed conversion ratio (Level 2 – using valuation techniques with observable inputs). See also Notes 8.8 and 12.3 of these notes. The Company sold all of these shares in August 2024. Due to normal changes in the quoted prices of Class A Common Shares affecting the fair value of the shares held by the Company, a loss of EUR 16,773 was recognised in 2023/2024. See also Note 8.8 of these notes.

As at 30 September 2024, the Company does not recognise any financial assets measured at fair value through profit or loss.

4.3. Cash and cash equivalents

Cash and cash equivalents consist of cash in bank accounts owned by Trust Pay, a.s. as at 30 September 2024, measured at amortised cost. They do not include client funds managed by the Company, which do not become the Company's property, and are therefore only recorded in the Company's off-balance sheet accounts (see also Note 5.3 of these notes).

Cash and cash equivalents consist of the following items:

	30 September 2024	_30 September 2023_
Cash in bank accounts	12,855,309	12,592,844
Cash equivalents	0	0
Total	**12,855,309**	**12,592,844**

Under "Cash in bank accounts", the Company recognises collateral deposited with MasterCard amounting to EUR 712,320 (2023: EUR 728,541) as at 30 September 2024. This collateral must be held in the account for the duration of the contractual relationship with MasterCard and serves to secure the Company's present and future obligations to MasterCard. The Company has a limited right to dispose of this account, and the account is disposed of directly by MasterCard on behalf of the Company. The Company may only dispose of the funds in the account after receiving written consent from MasterCard for a specific withdrawal transaction.

4.4. Current deferred expenses and deferred income

	30 September 2024	*30 September 2023*
Deferred expenses	84,486	86,477
Deferred income	103,762	112,756
Total	**188,248**	**199,233**

A significant portion of the current deferred expenses consists of accrued software product licences and set up fees for being direct acquirer of some alternative payment methods. The remaining balance represents current operating expenses associated with the next accounting period, primarily Trust Pay domains, certificates, insurance.

Deferred income consists mainly of deferred interest income related to client funds recorded off-balance sheet and deferred interest income from term deposits.

5. OTHER DATA RECOGNISED ON THE ASSET SIDE

5.1. Asset insurance

The Company records tangible non-current assets (passenger cars), for which it has concluded a number of insurance contracts with an indefinite term. The Company has recognised the expense amounting to EUR 10,073 (2022/2023: EUR 7,352) in general administrative expenses in the 2023/2024 period.

5.2. Restriction on the right to property

The Company does not record any non-current assets, including financial assets, to which a lien would be established or in respect of which the Company would have a restricted right of disposal. Nor does it record assets for which the title has been acquired by the lender under a security right transfer contract but which are used by the Company under a loan contract.

The Company does not record inventories to which a lien is established, and inventories in respect of which the Company has a restricted right of disposal.

The Company does not record receivables secured by a lien or other form of security except for receivables from clients (see Note 5.3), receivables to which a lien has been established, or receivables in respect of which the Company has a restricted right of disposal.

The Company does not record current financial assets to which a lien is established or in respect of which the Company has a restricted right of disposal, except for collateral deposited in a bank account in favour of MasterCard (see also Note 4.3).

The Company has not acquired any assets for which the title has not been registered by entry in the land register by the date of the Financial Statements, nor has it acquired any assets in privatisation.

5.3. Funds in client accounts

The Company manages its clients' funds in bank accounts held with 19 banks in 10 countries (balance as at 30 September 2024); in Slovakia it has bank accounts in 5 banks. At no time do these funds become the property of Trust Pay, a.s., nor does the Company bear the risk of any exchange rate fluctuations. Losses as well as any gains resulting from the above fluctuations are fully borne by the client.

The Company records the movement of funds in client accounts on the basis of a report, where movements are summarised and recorded on a daily or monthly basis by currency and type of movement.

Overview of client account balances in EUR:

Funds in client accounts:	***as at 30 September 2024 in EUR***	***as at 30 September 2023 in EUR***
Closing balance in clients' accounts	121,284,990	118,671,394

Client funds:	***as at 30 September 2024 in EUR***	***as at 30 September 2023 in EUR***
Funds in transit to be debited from clients' accounts	0	0
Funds in transit to be credited to clients' accounts	494,454	811,219

A portion of clients' funds is contractually tied up in Trust Pay, a.s. accounts for a specified period or in the card schemes accounts, and clients are restricted in the disposition of these funds. These funds are intended to cover contingent liabilities to Visa and MasterCard card schemes, and other liabilities arising from clients' business with respect to their individual risks and the products they use. These reserves are set either as a percentage of turnover over a certain period, or as a fixed amount deposited in a separate account with restricted access. As at 30 September 2024, the value of these funds is approximately EUR 13.2 million (EUR 15.7 million as at 30 September 2023).

6. EQUITY

6.1. Share capital

As at 30 September 2024 and 30 September 2023, the share capital entered in the commercial register consists of 350 registered common shares of the Company issued in certificated form, each of which has a nominal value of EUR 1,000/share. The shares are not publicly traded. There is no restriction on the transferability of shares. All shares carry the same rights, including the right to dividends and capital distributions.

The Company does not record share capital not registered in the commercial register. The Company does not record own shares.

6.2. Statutory and other funds

The Company's funds consist only of a statutory reserve fund of EUR 70,000 (2023: EUR 70,000); the Company does not have a capital fund from contributions. The statutory reserve fund constitutes 20% of the Company's share capital, in accordance with the Commercial Code and the statutes. It is used to cover losses or for measures to overcome an unfavourable development of the Company's economic situation. Its use is decided by the Board of Directors. It is not available for distribution to shareholders.

6.3. Valuation differences from revaluation

Valuation differences from revaluation of financial assets measured at fair value through other comprehensive income:

	30 September 2024	***30 September 2023***
Balance as at 1 October	432,512	332,231
Transfer of cumulated gain on derecognition of financial assets measured at FVOCI to retained earnings	(432,502)	0
Related income tax	99,435	0
Gain on revaluation of financial assets measured at FVOCI	246,803	126,938
Income tax on revaluation of financial assets measured at FVOCI	(51,829)	(26,657)
Balance as at 30 September	**253,419**	**432,512**

Valuation differences from revaluation of financial assets measured at fair value through other comprehensive income as at 30 September 2024 and 30 September 2023 consist of the revaluation of the equity interest (Series C Preferred Shares) in VISA Inc. at its fair value as at 30 September 2024 and 30 September 2023. The valuation difference represents the revaluation gain less the deferred tax liability. In measuring at fair value, the Company used a model based on unobservable inputs (Level 3) – revaluation based on the market value of the common shares adjusted for the effect of restrictions associated with holding preferred shares. See also Notes 3.4 and 12.3 of these notes.

Valuation differences from revaluation are not available for distribution to shareholders.

6.4. Retained earnings

During the year, to the Company's shareholders were paid out in the form of dividends the net profit recognised in the 2016/2017 financial year of EUR 697,445 (per share dividend of EUR 1,993), the net profit recognised in the 2017/2018 financial year of EUR 68,296 (per share dividend of EUR 195), retained earnings from 2021/2022, which arose from the transfer of the cumulated gain on derecognition of financial assets measured at FVOCI to retained earnings from valuation differences on revaluation of financial assets measured at FVOCI amounting to EUR 539,711 (per share dividend of EUR 1,542) and a significant portion of the net profit for 2022/2023 financial year of EUR 10,341,955 (per share dividend of EUR 29,548).

Retained earnings as at 30 September 2024 represent the sum of the profit of EUR 300,000 from the 2022/2023 financial year, the transferred cumulative gain on derecognition of financial assets measured at FVOCI to retained earnings in the amount of EUR 374,067 after tax (see also Notes 3.4 and 6.3), and the current period profit of EUR 11,131,144.

7. LIABILITIES

7.1 Other non-current liabilities

They represent a social fund liability set at 0.6% of gross employee wages.

Creation and drawdown of the social fund	***30 September 2024***	***30 September 2023***
balance as at 1 October	7,253	3,111
creation	11,482	10,563
drawdown	(8,241)	(6,421)
balance as at 30 September	**10,494**	**7,253**

7.2 Trade and other payables

Trade and other payables represent liabilities arising from the Company's ordinary operations:

	30 September 2024	***30 September 2023***
Trade payables	1,159,283	891,794
Payables to employees	128,847	117,624
Payables to social security and health insurance bodies	83,383	75,529
Other tax payables	46,869	39,934
Current reserves	135,052	93,579
Other payables	57,367	65,610
Total	**1,610,801**	**1,284,070**

The other tax payables represent income tax for employees and VAT, as well as road tax.

Due trade payables in 2024 amount to EUR 1,151,012 (2023: EUR 890,378) and the overdue within 90 days amount to EUR 8,271 (2023: EUR 1,416).

Current reserves	balance as at 1 October	creation	drawdown	release	balance as at 30 September
Reserve for audit of Financial Statements	12,100	11,000	12,100	0	11,000
Reserve for tax return preparation	2,200	3,700	2,200	0	3,700
Reserve for untaken vacation and quarterly bonuses	79,279	120,352	72,190	7,089	120,352
Total	**93,579**	**135,052**	**86,490**	**7,089**	**135,052**

The Company plans to use all current reserves in 2024/2025.

7.3 Current deferred income

	30 September 2024	*30 September 2023*
Current deferred income	84,884	54,884
Total	**84,884**	**54,884**

Current deferred income represents deferred income from development funds related to non-current assets and contractually agreed upon support services from current period extending into the next accounting period.

7.4 Other data on liabilities

The Company does not record payables secured by a lien or other form of security.

Liabilities to clients due to the management of their funds are recorded in off-balance sheet accounts. These liabilities are accounted for on a currency-by-currency basis, and the Company does not incur any gains or losses due to foreign exchange differences.

Liabilities to clients credited to accounts in EUR:

Liabilities to clients	as at 30 September 2024	as at 30 September 2023
liabilities to clients	121,779,444	119,482,613

8. INCOME AND EXPENSES

8.1. Income and expenses from payment transactions

	30 September 2024	*30 September 2023*
Total payment transactions income	**41,648,663**	**35,242,740**
card transactions	33,465,283	28,699,058
bank transactions	8,063,134	6,282,841
other services	120,246	260,841
Total payment transaction costs	**(28,101,072)**	**(22,143,544)**
Card transaction costs	(25,470,065)	(20,963,124)
Bank transaction costs	(2,256,109)	(901,503)
Other and joint costs	(374,898)	(278,917)
Profit/(loss) from payment transaction fees	**13,547,591**	**13,099,196**

8.2. Interest and similar income

	30 September 2024	_30 September 2023_
Interest income calculated using EIR from financial assets at amortised cost (from term deposits (off BS assets))	1,310,582	713,389
Interest income calculated using EIR from financial assets at amortised cost (from bank accounts where client funds are held and from other receivables)	319,154	252,616
Interest and similar income	**1,629,736**	**966,005**

The Company deposits a portion of client funds in the form of short-term term deposits at the banks. Interest from these deposits is reported as interest income calculated using the effective interest rate from financial assets at amortized cost.

Given the nature of Trust Pay's activities, interest, other expenses, as well as income related to the operation of bank accounts where client funds are recorded, are part of the operating result, not the financial result.

The Company's other interest income and expenses, such as bank interest from operating accounts, are recognised in Profit or Loss from financing activities (see Note 8.7), given their different nature.

8.3. General administrative expenses

	30 September 2024	_30 September 2023_
Office equipment and supplies	(30,373)	(13,102)
Information technology expenses	(737,545)	(651,699)
Licence costs	(288,316)	(219,431)
Rent, company headquarters, rental services	(263,148)	(225,121)
Costs of advertising, representation, fairs and exhibitions	(163,006)	(157,179)
Travel expenses	(67,288)	(52,143)
Costs of accounting and technical audits	(29,533)	(36,435)
Costs of legal and notary services	(27,230)	(12,046)
Training services and HR	(27,305)	(40,797)
Business, financial and other consulting	(67,240)	0
Cost of telecommunications services	(7,957)	(13,848)
Other expenses	(108,214)	(82,930)
Total other administrative expenses:	**(1,817,155)**	**(1,504,731)**
Payroll expenses	(2,177,702)	(1,905,908)
Social insurance expenses	(776,133)	(666,300)
Supplementary pension savings, statutory social expenses	(85,381)	(74,646)
Personnel expenses:	**(3,039,216)**	**(2,646,854)**
Total general administrative expenses	**(4,856,371)**	**(4,151,585)**

The cost of audit and other advisory services provided by the audit firm that audited the Financial Statements includes the following items:

	30 September 2024	_30 September 2023_
Audit of the Financial Statements	(18,533)	(13,475)
Other non-audit services	0	0

The Company does not have any material pension benefit liabilities concerning current and former employees within the meaning of applicable employment regulations or collective bargaining contracts.

8.4. (Loss)/gain on impairment of financial assets

	30 September 2024	30 September 2023
Net creation of provisions for receivables	(4,149)	(8,759)
Write-offs of receivables	0	0
Income from written-off receivables	0	0
(Loss)/gain on impairment of financial assets	**(4,149)**	**(8,759)**

Trust Pay permanently discontinues collection of receivables that appear uncollectible, and where further collection would be unprofitable; receivables are derecognised at that point.

8.5. Other operating income/(expenses)

Other operating income/expenses are recognised on an offsetting basis. Bank fees and interest on the operating account are recorded as financial expenses or income.

	30 September 2024	30 September 2023
Taxes and fees	(20,158)	(12,242)
Depreciation	(339,874)	(294,528)
Other operating expenses	(470,226)	(237,302)
Other operating income	10,740	16,394
Total other operating income / (expenses)	**(819,518)**	**(527,678)**

A significant part of other operating expenses is the VAT coefficient.

8.6. Foreign exchange difference – gain / (loss)

	30 September 2024	30 September 2023
Foreign exchange difference – gain	7,683,896	7,881,441
Foreign exchange difference – loss	(2,650,421)	(3,797,806)
Gain/(Loss) from foreign exchange differences	**5,033,475**	**4,083,635**

The Company recognises an unrealised foreign exchange gain of EUR 4,140 (2023: EUR 57,896) and an unrealised foreign exchange loss of EUR 137,676 (2023: EUR 105,452) as at 30 September 2024.

8.7. Interest income/(expenses)

	30 September 2024	30 September 2023
Financial assets at amortised cost:		
Income from interest on deferred receivables	0	0
Income from interest from monetary institutions	23,623	9,035
Total interest income	**23,623**	**9,035**

	30 September 2024	30 September 2023
Financial liabilities at amortised cost:		
Loan interest expenses	0	0
Total interest expenses	**0**	**0**

8.8. Other financial income/(expenses)

	30 September 2024	30 September 2023

Dividends from investments in equity instruments designated as FVOCI that were derecognised during the reporting period	3,629	0
Dividends from investments in equity instruments designated as FVOCI held by the Company as at the end of the accounting period	4,726	8,412
Dividends from financial instruments mandatorily measured at FVTPL - shares held for trading	0	0
Net gain/(loss) on financial instruments mandatorily measured at fair value through profit or loss - shares held for trading	(16,773)	0
Other financial income/(expenses)	0	0
Bank fees on operating accounts	(2,210)	(1,864)
Other financial income/(expenses), net	**(10,628)**	**(6,548)**

The impact of the change in the fair value of VISA Series A Preferred Shares, which the Company sold in August 2024, is recognised in the item Net gain/(loss) on financial instruments mandatorily measured at fair value through profit or loss (shares held for trading), see also paragraph 4.2. of the notes.

9. INCOME TAX

9.1. Income tax

	30 September 2024	*30 September 2023*
Special levy on business in regulated industries	450,946	0
Payable tax expense	2,966,705	2,819,938
Deferred tax expense/(income)	(5,036)	14,504
Total income tax	**3,412,615**	**2,834,442**
Profit before tax	14,543,759	13,476,397
Theoretical tax calculated at a rate of 21%	3,054,189	2,830,043
Tax impact:		
Non-deductible expenses	21,289	19,172
Non-taxable income*	(271,813)	(140,870)
Impact of special levy	359,413	0
Impact of withholding tax*	250,011	127,117
Other	(474)	(1,020)
Income tax expense/(income)	**3,412,615**	**2,834,442**
Cumulated gain transferred on derecognition of financial assets measured at FVOCI to retained earnings	473,502	0
Income tax on the transferred cumulated gain, recognised in retained earnings	99,435	0
Total income tax	**3,512,050**	**2,834,442**
Effective tax for the accounting period	**23.46 %**	**21.03%**
Total effective tax for the accounting period	**24.15 %**	**21.03%**

* Visa dividends are subject to withholding tax at source outside the Slovak Republic, term deposits are subject to 19% withholding tax upon payment in Slovak Republic.

The payable tax expense represents the payable corporate income tax and the withholding tax deducted at source.

In accordance with the requirements of International Financial Reporting Standards (IFRS), the special levy on business in regulated industries, as defined by a specific regulation, is part of the Company's income tax. As at the end of the reporting period, the Company recognised a liability for the special levy on business in regulated industries, which is presented together with the current tax liability in the Statement of Financial Position under "Current tax liabilities".

9.2. Deferred tax asset/(liability)

	30 September 2024	*30 September 2023*
Opening balance as at 1 October	(113,275)	(72,114)
Deferred tax for the period recognised as (expense)/income	5,036	(14,504)
Deferred tax for the period recognised in equity (-)/+	47,607	(26,657)
Deferred tax asset/(liability) as at 30 September, net	**(60,633)**	**(113,275)**

Deferred taxes are related to these temporary differences:

Deferred tax asset	*30 September 2024*	*30 September 2023*
Trade receivables	2,476	3,085
Other payables	18,614	8,299
Total deferred tax asset	**21,090**	**11,384**

Deferred tax liability	*30 September 2024*	*30 September 2023*
The difference between the book value and the tax residual value of the asset	0	0
Accrued interest income from term deposits	(14,360)	(9,688)
Revaluation of financial assets measured at FVOCI	(67,363)	(114,971)
Total deferred tax liability	**(81,723)**	**(124,659)**
Deferred tax asset/(liability), net	**(60,633)**	**(113,275)**

10. SIGNIFICANT RELATED PARTY TRANSACTIONS

10.1. Related parties

Related parties include the shareholder of the Company, members of the board of directors and other bodies of the Company, subsidiaries as well as other companies in which the above-mentioned persons have influence. Transactions between the Company and related parties are carried out on an arm's length basis at arm's length prices.

The Company has recognised the following related party balances and transactions as at 30 September 2024:

Company	*Receivables and investments, non-current assets*	*Liabilities*	*Income*	*Expenses*
Shareholders	0	0	0	0
Board of Directors	1,000	391	72	0
Subsidiary	10,000	0	0	0
Other related parties	0	1,002	1,419	265,168
Total	**11,000**	**1,393**	**1,491**	**265,168**

Liabilities to other related parties consist of the payment received.

Receivables from the Board of Directors consist of a receivable related to an authorised overdraft of a payment account.

Amounts from transactions with other related parties are included in the Company's expenses, which include mainly the costs of rent and the Company's headquarters, the purchase of other services (telephones and other).

The Company's income represents the amounts of fees for account maintenance and transactions on payment accounts charged to related parties.

The Company has recognised the following related party balances and transactions as at 30 September 2023:

Company	***Receivables and investments, non-current assets***	***Liabilities***	***Income***	***Expenses***
Shareholders	0	0	0	0
Board of Directors	0	0	0	0
Subsidiary	10,000	7,000	0	0
Other related parties	44	1,006	2,346	230,332
Total	**10,044**	**8,006**	**2,346**	**230,332**

Liabilities to the subsidiary represents the liability for the outstanding subscribed share capital.

Liabilities to other related parties consist of the payment received.

Amounts from transactions with other related parties are included in the Company's expenses, which include mainly the costs of rent and the Company's headquarters, the purchase of other services (telephones and other).

The Company's income represents the amounts of fees for account maintenance and transactions on payment accounts charged to related parties.

10.2. Wages and bonuses for the performance of duties of members of the Company's bodies

As at 30 September 2024, three members of the Board of Directors were employed at Trust Pay, a.s. on a main employment basis (as at 30 September 2023, one member of the Board of Directors was employed). The total gross wages for the year 2023/2024 amount to EUR 129,896 (EUR 23,718 for 2022/2023). Bonuses of EUR 65,400 were paid to six members of the Company's bodies (In 2022/2023, bonuses of EUR 65,400 were paid to six members of the Company's bodies).

10.3. Advances, loans and guarantees for members of the bodies and other benefits

The Company did not provide any advances or guarantees for the obligations of members of individual bodies or former members of the Company's bodies. The Company provided funds to members of the statutory body only for the purpose of accounting for business trips.

11. COMMITMENTS, CONTINGENT LIABILITIES AND OTHER OFF-BALANCE SHEET ITEMS

11.1. Environmental matters

The management is confident that the Company complies with the applicable legal regulations and standards in all material respects. It is not expected that the Company will incur any significant environmental penalties in the future.

11.2. Investment expenditure

The Company does not draw up an investment expenditure plan for subsequent periods; instead, the necessary investment expenditure is approved by the Board of Directors based on actual requirements. The Company management has not concluded any binding contracts in respect of any project.

11.3. Taxes

The tax environment in which the Company operates in Slovakia depends on the current tax legislation, which is still under development and practice. Because the tax authorities do not provide official interpretations of the tax laws, there is a risk that the tax authorities may require adjustments to the tax base.

Tax returns may be subject to a tax audit for a period of five years from the end of the year in which the obligation to file a tax return arose. The fact that a certain period or a tax return relating to that period has been audited does not affect the exclusion of that period from any further audit. As a result, the Company's tax returns for the years 2018/2019 to 2023/2024 are open as at 30 September 2024, and may become subject to audit. The Company's management is confident that all tax liabilities have been adequately accounted for in the accompanying Financial Statements.

11.4. Legal disputes

The Company is exposed to legal disputes and actions in the normal course of its business. Each legal dispute is subject to strict monitoring and periodic review as part of the Company's standard procedures. It is the Company's policy not to disclose details of pending legal disputes so as not to prejudice the Company's position in the dispute, and to vigorously defend itself against wrongfully asserted claims. If it is probable that the Company will be required to settle a claim, and an estimate of the amount of the claim can be determined with reasonable reliability, the Company's management decides on the creation of a reserve. No reserve for legal disputes has been created as at 30 September 2024 or 30 September 2023.

11.5. Other off-balance sheet items

The Company recognises funds in client accounts (see Note 5.3) and payables to clients (see Note 7.4) in off-balance sheet accounts.

12. FINANCIAL RISK MANAGEMENT

12.1. Capital risk management

The Company manages its capital to ensure that it is able to continue as a healthy going concern with the objective of achieving an optimal relationship between external and own funds. The Company's overall strategy is unchanged from 2022/2023.

The own funds of a payment institution consist of three categories. Common Equity Tier 1 (CET1) capital, which represents the highest quality own funds. It is the capital that enables a payment institution to continue in business and maintain solvency. Additional Tier 1 (AT1) and Tier 2 capital may include equity or capital instruments classified as liabilities and is of lower quality.
The own funds of a payment institution are defined in § 2(52) of Act No 492/2009 Coll. on Payment Services and on Amendments to Certain Acts, as amended, pursuant to a special regulation, i.e. Regulation (EU) No 575/2013 of the European Parliament and of the Council, as amended.

The Company's own funds are defined by the items of Tier 1 capital that consists of the difference between the items of Common Equity Tier 1 capital and the items reducing its value.

The items constituting the value of Common Equity Tier 1 capital of Trust Pay, a.s. as at 30 September 2024 (30 September 2023) include:

- Paid-up share capital of EUR 350,000 (2023: EUR 350,000)
- Retained earnings of previous years of EUR 674,067 (2023: EUR 1,305,452)
- Accumulated other comprehensive income consisting of income and expenses (including reclassification adjustments) not recognised in profit or loss of EUR 253,419 (2023: EUR 432,512)
- Reserve fund of EUR 70,000 (2023: EUR 70,000)

The item reducing the value of the Company's Common Equity Tier 1 capital as at 30 September 2024 consists of other intangible assets amounting to EUR 165,533 (30 September 2023: EUR 612,543). The Company does not record other items reducing the value of the Company's Common Equity Tier 1 capital.

The Company does not record a share premium account in its own funds, nor does it record other funds generated from distributions of after-tax profits, which are available for unrestricted and immediate use for the purpose of covering risks or losses.

	30 September 2024	***30 September 2023***
Total own funds:		
Paid-up capital instruments	*350,000*	*350,000*
Share premium account	*0*	*0*
Own CET1 instruments (-)	*0*	*0*
Actual/contingent commitments to buy own CET1 instruments (-)	*0*	*0*
Capital instruments eligible as CET1	350,000	350,000
Retained earnings*	674,067	1,305,452
Accumulated other comprehensive income	253,419	432,512
Other reserves	70,000	70,000
Cash flow hedging reserve	*0*	*0*
Goodwill	*0*	*0*
*Other intangible assets***	*(165,533)*	*(612,543)*
Deferred tax assets that depend on future profitability and do not arise from temporary differences, net of related tax liabilities	*0*	*0*
Excess of deductions from AT1 items over AT1 capital	*0*	*0*
Deductible deferred tax assets that depend on future profitability and arise from temporary differences	*0*	*0*
Items reducing the value of Common Equity Tier 1 capital	*(165,533)*	(612,543)
Other transitional CET1 capital adjustments	0	0
Common Equity Tier 1 capital	***1,181,953***	***1,545,421***
Additional Tier 1 capital	***0***	***0***
Tier 1 capital	**1,181,953**	**1,545,421**
Tier 2 capital	***0***	**0**
Total own funds	**1,181,953**	**1,545,421**

* Retained earnings do not include the final profit of the 2023/2024 financial year of EUR 11,131,144 (2022/2023: EUR 10,641,955).
** „Other intangible assets" include software assets that qualify as intangible assets under the definition provided by specific regulations. The amount of software assets is determined based on prudential accumulated amortisation in accordance with a specific regulation. Acquisition of intangible assets is not presented. The data as at 30 September 2024 and 30 September 2023 are not comparable. The amount of other intangible assets as at 30 September 2023 is presented according to the methodology applicable in 2023.

The structure of the Company's own resources meets the condition of § 2 of Act 492/2009, paragraph 52, that at least 75% of the Tier 1 capital is in the form of Common Equity Tier 1 capital and that the Tier 2 capital is equal to or less than one third of the Tier 1 capital.

The Company's own funds have not fallen below the level of its paid-up cash contribution to the share capital as at 30 September 2024 or in previous years; the Company therefore meets the requirement under § 72 of Act No 492/2009.

The Company reviews and reconciles fixed costs to equity on a monthly basis.

Calculation pursuant to § 72(2) of Act No 492/2009, as amended, at the end of the accounting period:

	30 September 2024	***30 September 2023***
fixed operating expenses for the previous year	4,704,416	4,120,185
10% of fixed expenses	470,442	412,018
own funds	1,181,953	1,545,421

Own funds represent more than 10% of the fixed expenses of the previous period, thus the Company has fulfilled the requirement under § 72(2) of Act No 492/2009, as amended.

Year-end credit burden indicator:

	30 September 2024	***30 September 2023***
Debt *(i)*	0	0
Cash and cash equivalents	12,855,309	12,592,844
Net debt	12,855,309	12,592,844
Equity	12,478,630	12,799,919
Net debt to equity ratio	**0 %**	**0 %**

(i) Debt is defined as non-current and current loans and borrowings.

12.2. Investing with third-party funds

Within the meaning of § 77(7) of the Payment Services Act, Trust Pay, a.s. may not merge funds received from payment service users with funds received from persons other than payment service users. Funds that have not been transferred to a payee or to another payment service provider by the end of the business day following the day of receipt must be deposited by the payment institution in a separate account at a bank, central bank or a branch of a foreign bank, or it must invest them in safe, liquid and low-risk assets. Trust Pay, a.s. applies mainly the first option provided for by law, i.e. depositing the funds of payment service users in separate account at a bank, central bank or a branch of a foreign bank. The Company deposits a portion of client funds in the form of short-term term deposits at the banks.

12.3. Categories of financial instruments

Financial assets and financial liabilities recognised in the Statement of Financial Position (the presented value represents both their book value and their fair value):

	30 September 2024	***30 September 2023***
Financial assets measured at fair value through other comprehensive income	450,336	808,981
Financial assets measured at fair value through profit or loss	0	0
Financial assets at amortised cost – Trade and other receivables*, cash and cash equivalents	13,156,754	12,971,240
Financial assets	**13,607,090**	**13,780,221**
Financial liabilities at amortised cost – Loans and borrowings	0	0
Financial liabilities at amortised cost– Trade and other payables*	1,574,425	1,251,389
Financial liabilities	**1,574,425**	**1,251,389**

* except for receivables and liabilities arising under law (e.g. taxes), which are not considered financial instruments

In addition to the financial assets and financial liabilities reported in the Statement of Financial Position, the Company also accounts for financial assets and financial liabilities off-balance sheet. Their presented value (see note 5.3 and 7.4) represents both the book and fair value.

Estimated fair value of financial instruments:

The fair value of financial instruments is the amount that would be received for the sale of an asset or the amount that would be paid for the transfer of a liability in an arm's length transaction between market participants as at the valuation date. The specific property, asset or liability must be measured, taking into account the conditions that would be considered by other market participants at the time of the sale or purchase. If the market for a financial instrument is not active, the fair value is determined by a valuation model.

The inputs for the valuation are divided hierarchically into 3 levels:

- Level 1 (highest priority) – fair value valuation derived from quoted prices (unadjusted) in active markets for an identical asset or liability; the Company must determine the relevant market and whether it can enter into a transaction in that market.
- Level 2 – use of valuation techniques with observable inputs, i.e. inputs other than Level 1 quoted prices, which are observable directly or indirectly.
- Level 3 – use of valuation techniques with unobservable inputs. Non-public inputs are used, but these must also meet the valuation objectives (valuation date, assumptions of other market participants, risk assumptions); the Company develops these inputs based on the best available information, including its own.

The following methods and assumptions were used in determining the fair value of the Company's financial instruments:

The fair value of cash and cash equivalents, trade and other receivables and off-balance sheet assets, trade payables, other current liabilities and off-balance sheet liabilities is approximately the same as their book value mainly due to the short-term maturity of these instruments. As at 30 September 2024 and 30 September 2023, the book value of receivables, net of the provision, is not materially different from the fair value of these receivables.

The fair value of financial liabilities is estimated by discounting future cash flows using the rate currently available for debt with similar terms, credit risk and remaining maturity.

The fair value of financial assets measured at fair value through other comprehensive income was determined using a valuation model. For VISA Inc. Series C Preferred Shares reported in this category, the Company uses Level 3 fair value determination. The Series C Preferred Shares will be converted into Visa Inc. Common Shares; the conversion of the entire preferred shares will occur in 2028 at the latest. The current conversion rate from preferred shares to common shares is set at 1.786 (2023: 3.629). This conversion ratio may be subject to a decrease until 2028 depending on potential liabilities arising from disputes relating to the "swap" during this period. The preferred shares have been classified as investment securities measured at fair value based on the market price of the common shares, including a discount. The discount takes into account market illiquidity and adjustments related to the initiation of relevant disputes (current or future) in which Visa Inc. may be involved and which may impact the conversion ratio. Due to these restrictions (restriction on tradability/convertibility or a possibility of change in the conversion ratio), the preferred shares are measured lower compared to the tradable shares of VISA Inc. Based on these facts, the Board of Directors of Trust Pay, a.s. will assume the published closing price of Visa Inc. common shares on the exchange, less a discount to reflect the foregoing restrictions. See also Notes 3.4 and 6.3.

The fair value of financial assets measured at fair value through profit or loss was determined using a valuation model. For VISA Inc. Series A Preferred Shares reported in this category, the Company uses Level 2 fair value determination (no sales restrictions); the shares are measured at fair value derived from the quoted prices of the Class A Common Shares at a fixed conversion rate.

12.4. Currencies and currency risks, interest risks

Trust Pay, a.s. keeps its accounts and prepares its Financial Statements in euro currency units. For financial assets, receivables and payables denominated in foreign currencies, the Company keeps accounts in euros and foreign currencies.

Funds received by the Company from its clients, which are at all times the funds of the clients, are an exception. Client funds are therefore accounted for separately and under no circumstances do they become company property. The Company records them in separate off-balance sheet accounts in the relevant currency only.

For transactions carried out with client funds, the client bears the full foreign exchange risk, and the Company therefore does not account for foreign exchange differences. As at 30 September 2024, Trust Pay, a.s. effectively managed funds in EUR, USD, CZK, HUF, PLN, GBP, DKK, NOK, SEK, CHF, CAD, AUD, NZD and RON.

The table below provides an analysis of the Company's net open monetary positions. The remaining currencies are listed in the item "Other".

as at 30 September 2024 in EUR	***EUR***	***USD***	***CZK***	***GBP***	***Other***	***Total***
Financial assets measured at fair value through other	0	450,336	0	0	0	450,336

comprehensive income						
Financial assets measured at fair value through profit or loss	0	0	0	0	0	0
Financial assets at amortised cost - Trade and other receivables, cash and cash equivalents	4,343,607	5,222,852	193,929	1,112,256	2,284,110	13,156,754
Financial assets	**4,343,607**	**5,673,188**	**193,929**	**1,112,256**	**2,284,110**	**13,607,090**
Financial liabilities at amortised cost - Loans and borrowings	0	0	0	0	0	0
Financial liabilities at amortised cost - Trade and other payables	(1,401,437)	(62,223)	(40,461)	680	(70,984)	(1,574,425)
Financial liabilities	**(1,401,437)**	**(62,223)**	**(40,461)**	**680**	**(70,984)**	**(1,574,425)**
Net monetary position as at 30 September 2024	**2,942,170**	**5,610,965**	**153,468**	**1,112,936**	**2,213,126**	**12,032,665**
Total financial assets as at 30 September 2023	4,500,810	4,708,386	1,260,456	639,476	2,671,093	13,780,221
Total financial liabilities as at 30 September 2023	(1,083,700)	(66,877)	(33,629)	653	(67,836)	(1,251,389)
Net monetary position as at 30 September 2023	**3,417,110**	**4,641,509**	**1,226,827**	**640,129**	**2,603,257**	**12,528,832**

The following table shows the sensitivity of profit or loss, as at 30 September 2024 and 30 September 2023, to a 10% appreciation/depreciation of the EUR against the USD, CZK and GBP. The analysis includes monetary items denominated in foreign currency and adjusts their conversion at the end of the accounting period for the indicated exchange rate change (other variables remain constant).

Impact on profit or loss (in EUR)	***30 September 2024***	***30 September 2023***
USD	510,088	421,955
CZK	13,952	111,530
GBP	101,176	58,194
Total	**625,216**	**591,679**

Given that, as at 30 September 2024, receivables in USD, CZK and GBP prevail over payables in the Financial Statements, in the event of a 10% decrease in exchange rates, the Company would recognise an exchange rate gain of EUR 625,216 (2023: EUR 591,679). If the exchange rate were to move in the opposite direction, the Company would recognise an exchange rate loss.

Changes in market interest rates do not have a significant impact on the Company's profits and cash flow. The Company has no significant interest-bearing assets other than cash and cash equivalents. Short-term term deposits (safe, liquid, and low-risk assets) are interest-bearing at a pre-determined fixed interest rate. The Company does not conclude any agreements to hedge against interest rate risk.

12.5. Credit risk

Credit risk takes into account the risk that a counterparty will default on its contractual obligations, resulting in a loss to the Company. The Company is not exposed to a significant concentration of credit risk. The Company has adopted a policy of dealing only with trusted counterparties and of obtaining sufficient collateral, as needed to mitigate the risk of financial loss due to default. Cash, cash equivalents and term deposits are deposited with financial institutions in various countries. Trade receivables are recognised net of provisions.

Cash transactions are only conducted through reputable financial institutions. The Company has not limited the size of the open position with any financial institution.

As at the date of the Financial Statements, there were no significant concentrations of risks in financial assets.

12.6. Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and liquid securities, the availability of funds through an adequate number of contractual credit lines, and the ability to close open market positions. The Company maintains sufficient cash in its bank account and has no open market positions.

The management monitors the sufficiency of the liquidity buffer based on cash flow forecasts.

The following table shows the remaining maturity of the Company's non-derivative financial liabilities. The table has been prepared on the basis of the undiscounted cash flows of the financial liabilities, taking into account the earliest possible dates on which the Company may be required to settle these liabilities.

	Weighted average effective interest rate	***Up to 1 year***	***1-5 years***	***5 years and more***	***Total***
30 September 2024					
Interest-free liabilities		1,563,931	10,494		1,574,425
30 September 2023					
Interest-free liabilities		1,244,136	7,253		1,251,389

13. Events after the date of the Financial Statements

In light of Russia's ongoing invasion of Ukraine, sanctions against Russia and the suspension of Visa and Mastercard's activities in Russia remain in place. Trust Pay, a.s. took action immediately following the invasion to bring its operations into compliance with these measures and applicable sanctions. Although Trust Pay, a.s. does not operate in areas directly affected by these ongoing events, it has implemented systematic restrictions and other sanctions-related controls to help prevent and detect prohibited activities.

The war in Ukraine and the economic sanctions against the Russian Federation do not have the capacity to significantly affect the economic activity of Trust Pay, a.s. as it has never actively operated in these countries.

As at the date of these Separate Financial Statements, no other material events have occurred that would require a modification of the Financial Statements or an additional recognition in the Separate Financial Statements prepared as at 30 September 2024.

14. Approval of Financial Statements

The Separate Financial Statements were prepared and authorised for issue on 18 December 2024.

Signature record of the member of the statutory body of the entity:	Signature record of the person responsible for the preparation of the financial statements:	Signature record of the person responsible for accounting: